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Economic Intelligence Report

POLISH SEABORNE FOREIGN TRADE
AND ITS TRANSPORTATION
1956-59 AND PLANS THROUGH 1975



CIA/RR ER 61-6

February 1961

CENTRAL INTELLIGENCE AGENCY
Office of Research and Reports

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FOREWORD

Knowledge of the capacity and performance of the merchant fleet of any country is virtually meaningless without knowledge of the amount and direction of seaborne trade to be moved. No country of the Sino-Soviet Bloc is yet capable of moving all of its seaborne imports, and, to the extent that Bloc vessels cannot handle the trade, the Bloc countries are dependent on Western vessels.

For the first time, enough data have been gathered to make possible a survey of Polish seaborne trade, not only in terms of general trends but also in terms of specific origins and destinations of cargo and the problems arising therefrom.

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This report has been coordinated within this Office but not with other agencies of the US Intelligence Board.

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Direction of Polish Seaborne Trade, 1959 inside back cover

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POLISH SEABORNE FOREIGN TRADE AND ITS TRANSPORTATION*
1956-59 AND PLANS THROUGH 1975

Summary

In recent years an increase in the proportion of Polish foreign trade moving by sea rather than by inland transport has resulted from shifts in the direction of trade. Seaborne trade increased from 27 percent of total trade in 1954 to 33 percent in 1958 and 31 percent in 1959, primarily as a result of increased trade with countries outside the Sino-Soviet Bloc.** In 1955, trade with non-Bloc countries amounted to only 31 percent of the total volume of trade but increased to 39 percent in 1958. The proportion of seaborne trade may continue to increase in the next few years.

One of the two principal aims of Polish maritime policy since about 1956 has been to increase the share of Polish foreign trade carried by Polish ships in order to save foreign exchange paid for the use of foreign ships and to lessen the dependence on foreign ships for transport of imports. The volume of imports by sea has fluctuated from 33 percent of total imports in 1957 to 36 percent in 1958 and 29 percent in 1959. Although seaborne imports are expected to increase from 5.1 million metric tons*** in 1959 to about 8 million to 9 million tons in 1965 and 11 million to 14 million tons in 1975, it is possible that total imports will increase proportionately and that the seaborne share will remain at about 30 percent. If the USSR does not increase deliveries of raw materials above the level in 1965, however (and there is some indication that such a leveling off may be expected), imports from overseas areas should rise considerably. In 1959, Polish ships carried 32 percent of Polish imports arriving by sea, and by 1965 Polish ships may be carrying more than 40 percent of the presently planned imports.

The planning of the most efficient use of the fleet to achieve the aim of carrying more Polish trade in Polish bottoms has been

* The estimates and conclusions in this report represent the best judgment of this Office as of 15 December 1960.

** Unless otherwise indicated, the term Bloc throughout this report refers to the Sino-Soviet Bloc.

*** Cargo tonnages are given in metric tons throughout this report.

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complicated by two major factors, the imbalance in direction of Polish seaborne trade between exports and imports and the increasing service by Polish ships to other Bloc nations. Most of the exports move to nearby areas, whereas most of the imports come from distant areas, and Polish seaborne exports generally go to different areas from those in which the imports originate. Furthermore, the trade carried by Polish ships for other Bloc nations is for the most part moving in the same directions as Polish seaborne trade. As a result, Polish ships are not carrying as much Polish cargo as they could carry if they were not carrying other Bloc cargo, and as the fleet grows larger, increasing amounts of non-Bloc cargo must be solicited one way for lack of Bloc cargo.

The situation described above, although slowing down the accomplishment of the goal of carrying more of Polish trade, does contribute to the accomplishment of the second major goal of maritime policy, the earning of foreign exchange by the Polish fleet. Foreign exchange is earned both by carrying Western cargo on legs of voyages lacking Bloc cargo and by carrying cargo for other Bloc nations. Although Polish foreign trade is expected to grow to such an extent that foreign ships may still be carrying about 11.0 million to 11.5 million tons of Polish cargo in 1965 and 1975 compared with 10.7 million tons in 1959, the growth of the Polish fleet and the manner in which it is necessarily being used is expected to make possible by 1965 the earning by the fleet of more foreign exchange than will be paid out for the use of foreign ships.

The remaining problem for Poland will be one of transferable versus nontransferable currency. The great proportion of payments for foreign ships is made in transferable currency, whereas a large part of the earnings by the fleet, particularly for Bloc cargo, is in non-transferable currency.

Available records on Polish chartering activity indicate that Poland chartered foreign vessels to make at least 320 voyages in 1959, totaling at least 2.4 million deadweight tons (DWT).^{*} The largest amounts of vessel tonnage were provided by Liberian ships, followed closely by Norwegian, Greek, Italian, Swedish, and West German ships. These were oceangoing ships averaging 9,000 DWT and were used mainly in the long-distance hauls. In addition, a large number of West German coasters and a lesser number of Danish and Finnish coasters plied between Polish ports and Baltic and North European ports.

^{*} Deadweight tonnage is a measure of the carrying capacity of a vessel expressed in metric tons -- that is, the difference between the displacement of the vessel light and its displacement loaded.

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The carrying capacity of the Polish fleet is expected to double by 1965 and more than quadruple by 1975 compared with the level of 1959. Although total performance is expected to increase accordingly, the volume of non-Polish cargo carried by Polish ships is expected to increase more rapidly than Polish cargo, from 1.6 million tons in 1959 to about 3.7 million tons in 1965 and 7 million tons in 1975. The Polish fleet, which is already carrying cargo for other nations of the Council for Mutual Economic Assistance (CEMA) and is beginning sparse but growing scheduled services to underdeveloped areas, will be an increasingly important instrument for CEMA in implementing policies of economic penetration in underdeveloped areas and in competition with Western maritime interests.

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I. Reliance of Poland on Seaborne Foreign Trade*

The volume of Polish foreign trade has more than doubled when compared with the period before World War II. Poland, with a population of about 35 million (prewar boundaries), in 1939 imported 3.3 million tons and exported 15.6 million tons. 2/ In 1959, with a population of about 29 million (postwar boundaries), Poland imported 17.6 million tons and exported 28.1 million tons. Imports by sea alone in 1959 were greater than 150 percent of total imports in 1939. The increase in volume of both imports and exports, in spite of a smaller population, is primarily due to the industrialization of Poland. Poland needs large quantities of industrial raw materials, much of which move by sea. In 1954, Poland also became, for a number of reasons, a net importer (by volume) of agricultural products instead of a net exporter. In 1959, almost 50 percent of grain imports came by sea (see Table 7**), and in the first 6 months of 1960, almost 65 percent came from overseas areas. 3/

The proportion of Polish foreign trade that moves by sea increased between 1954 and 1959, as shown in the tabulation below. 4/ Seaborne trade in 1959 reached the highest peak in postwar years. The increase in seaborne trade in 1959, 3.3 percent, was slight, however, compared with the increase in 1958, which was 27.7 percent above the level of 1957.

Thousand Tons						
	1954	1955	1956	1957	1958	1959
Inland routes	31,487	30,860	27,849	25,395	27,461	31,573
Sea routes***	11,880	13,028	12,197	10,714	13,677	14,125
Total	<u>43,367</u>	<u>43,888</u>	<u>40,046</u>	<u>36,109</u>	<u>41,138</u>	<u>45,698</u>
Percent						
Inland routes	72.6	70.3	69.5	70.3	66.8	69.1
Sea routes	27.4	29.7	30.5	29.7	33.2	30.9
Total	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>

** Appendix A, p. 39, below.

*** Figures on total tons reported to have been moved in foreign trade (particularly the tonnage moved by sea) rarely agree exactly ☐ because of different methods of conversion from other units of measure to tons or because of different methods of inclusion of figures (in December of one year or January of the next year, depending on arrival or departure times). The corresponding total for seaborne trade for 1956 in Table 5, Appendix A, p. 32, below, is slightly different but is so close as to be confirmatory.

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The decline in volume of both total trade and seaborne trade from 1955 to 1957 was due mainly to the drop in exports of coal and coke and to a lesser degree to the drop in exports of sugar, cement, salt, lumber, and general cargo. Imports of several bulk commodities, such as iron ore, petroleum,* and grain, increased, but not enough to outweigh the drop in exports. Seaborne exports of commodities of high value but comparatively low volume, such as railroad rolling stock, machine tools, and textiles, also have generally increased.

In spite of Poland's being a part of the European land mass and having oriented its trade since World War II toward the Soviet Bloc, on its landward side, its dependence on seaborne trade is relatively high. In recent years, about 20 percent of the total volume of Polish trade has been with overseas areas with no land connections. The fact that as much as 12 percent of its trade with land-connected countries moved by sea in 1958-59 results from the cost of sea transport in many instances being less than rail or river transport. Of the two most conspicuous bulk commodities in Polish trade that lend themselves most economically to sea transport (coal and iron ore), however, more than 70 percent moves to and from inland European areas and therefore has been moving by land rather than by sea.

The largest volume of Polish trade is with the European USSR and the European Satellites, which is shown in the tabulation that follows. About 1.3 million tons of this trade moved by sea in 1959.

	Million Tons <u>5/</u>	Percent of <u>Total Trade</u>
1955	30.1	69
1956	25.6	64
1957	23.0	64
1958	25.1	61

II. Direction of Seaborne Foreign Trade

A. Effect on the Use of Domestic and Foreign Fleets**

Polish exports by sea have been consistently larger in volume than imports, as shown on the map.*** Furthermore, about 70 percent

* The term petroleum as used in this report includes crude oil and petroleum products.

** Unless otherwise indicated, the source for this section is Table 1, p. 8, below.

*** Inside back cover.

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of the export trade goes to short-range areas,* whereas less than 40 percent of the import trade comes from short-range areas, and imports from long-range areas have increased in the past 3 years. This situation alone would indicate a problem in eventually accomplishing the plan of carrying at least 50 percent of seaborne trade in domestic bottoms.

A more serious problem is created, however, by the imbalance between imports and exports to and from particular areas. In general, large shipments of bulk raw materials are imported from underdeveloped areas, whereas relatively small shipments of finished goods are exported to those areas, and the reverse is generally the case in trade with industrialized areas. This situation is expected to continue for at least the next 10 years.

In 1959, out of a total of 14.1 million tons of seaborne imports and exports, about 8 million tons, or almost 60 percent, moved outbound or inbound without matching amounts of Polish cargo moving in the other direction.** Thus, if the Polish fleet had been large enough in 1959 to carry all exports and imports, an excess vessel capacity of about 50 percent would have been needed. To provide cargoes for that excess vessel capacity, it would have been necessary to solicit non-Polish cargo in a highly competitive industry in a depressed market period. As the Polish fleet, therefore, approaches the capacity to carry one-half of Poland's seaborne trade, the imbalances in direction of trade will create problems in planning the use of the fleet to assure cargoes in both directions in each area.

If the imbalances in trade of the rest of the Bloc canceled each other out, the Maritime Transport Committee of CEMA would be a useful instrument in coordinating Bloc seaborne trade in Bloc ships. Comparison of the direction of Polish trade with the direction of East German trade, however, shows that markedly similar imbalances exist in the same areas. Incomplete data on other Bloc countries indicate that trade moves in much the same areas and the same direction for those countries as well. The ocean transport service provided by Poland to other Bloc nations not only has failed to alleviate the

* Areas within a range of about 1,500 nautical miles. Long-range areas are those of 3,000 nautical miles or more.

** Calculated from Table 1, which follows on p. 8. For example, there were 2,792,000 tons more of exports than imports in the Baltic, 266,000 tons more of imports than exports in trade with Africa, and so on.

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Table 1

Trend in Distances of Shipments of Polish Seaborne Foreign Trade a/
1957-59

Areas of origin and destination	Representative Distance (Nautical Miles)	Thousand Metric Tons					
		1957		1958		1959	
		Imports	Exports	Imports	Exports	Imports	Exports
Baltic	450	1,218	3,064	1,492	3,690	1,417	4,209
North Sea and Norwegian Sea	500 to 1,500	567	560	472	1,345	384	1,700
Atlantic Europe	1,500	122	1,411	75	1,079	78	498
Africa (excluding Egypt)	3,000	537	17	318	58	387	121
Mediterranean (including Egypt)	3,000 to 4,000	106	299	165	993	206	1,105
Black Sea	4,000	492	0	579	0	547	0
North America	5,500	859	66	1,204	79	929	68
South and Central America	6,000	198	209	408	1,016	375	963
South Asia	7,000	295	162	87	165	134	243
Southeast Asia	9,000	59	15	61	12	71	22
Far East	11,000	338	114	229	107	501	99
Other	Above 4,000	1	2	27	12	32	32
Total b/		4,791	5,923	5,117	8,560	5,061	9,065
Ranges							
1,500 nautical miles or less		1,907	5,035	2,039	6,114	1,879	6,407
3,000 to 4,000 nautical miles		1,135	316	1,062	1,051	1,140	1,226
5,000 nautical miles or more		1,750	568	2,016	1,391	2,042	1,427
Proportions of ranges							
		Percent					
1,500 nautical miles or less		40	85	40	72	37	71
3,000 to 4,000 nautical miles		24	5	21	12	23	13
5,000 nautical miles or more		36	10	39	16	40	16

a. Compiled from Tables 5 and 6, Appendix A, pp. 32 and 36, respectively, below.

b. Because of rounding, components may not add to the totals shown.

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imbalance but also has aggravated it. Most of the approximately 1 million tons of cargo carried in 1959 for other Bloc countries* has moved on routes where more Polish cargo is moving than the Polish ships can handle and has therefore supplanted Polish cargo. Prime examples are the cargoes carried on the North and South American routes.** One known exception may be Czechoslovak and East German cargo moving out to the Far East, 10/ which tends to balance the heavy quantities of Polish cargoes moving inbound.

Furthermore, new lines established by Poland that could have derived from CEMA discussions have been the service to West African ports, to the Red Sea and the Persian Gulf, and between the Black Sea and the Mediterranean. None of these services has yet led to a reduction of the problem of Polish trade imbalance.

B. Sources and Volume of Imports

The volume of Polish imports by sea has not fluctuated as widely in the past 5 years as the volume of exports and, with the exception of 1959, has increased each year, as shown in the tabulation below 11/:

<u>Year</u>	<u>Thousand Tons</u>	
	<u>Seaborne Imports</u>	<u>Total Imports</u>
1955	3,771	N.A.
1956	4,002	N.A.
1957	4,791	14,312
1958	5,117	14,146
1959	5,061	17,551

No breakdown of seaborne imports by commodity is available for 1955-56, but it is believed that the increase of 789,000 tons in 1957 was a result almost entirely of increased imports of grain and ores.

* Published announcements of Satellite cargo carried by Polish ships in 1959 cover 650,000 tons of Czechoslovak cargo, including about 50,000 tons (estimated) on the Braila-Levant Line 6/ and 60,000 tons more on the Braila-Levant Line carried for other Satellites. 7/ In 1960, about 800,000 tons of Czechoslovak cargo were expected to be carried 8/ and about 400,000 tons of East German cargo. 9/ These amounts probably do not include cargo carried by ships of the Chinese-Polish Shipbrokers Corporation (Chipolbrok). (See IV, B, p. 25, below).

** See IV, p. 22, below.

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Maritime planners expect the import of grains to remain at about the same level in 1965 and 1975 as in 1958-59 but expect the import of ores, lumber, fertilizers, and petroleum to increase. ^{12/} The resulting volumes of imports by sea are expected to be about as follows:

Commodity	Million Tons		
	1959	1965	1975
Ores	1.8	2.5	4.0
Grains	0.9	1.0	1.0
Petroleum	0.5	2.0 to 3.0	3.5 to 6.0
Lumber	0.1	0.3	0.5
Other bulk products	0.9	1.1	1.3
General	0.9	0.9	0.9
Total	<u>5.1</u>	<u>7.8 to 8.8</u>	<u>11.2 to 13.7</u>

These import plans indicate an increase in seaborne imports of 3 million to 5 million tons in each 5-year period compared with an increase of only 1.3 million tons during the 4 years 1956-59. The planned increase of a minimum of 53 percent from 1959 to 1965 is not surprising, however, when compared with the expected increase in imports of basic industrial raw materials (petroleum, iron ore, phosphorus, potassium salts, apatite, and so on) by all modes of transport from about 9.5 million tons in 1958 to about 16.5 million tons in 1965, a 74-percent increase. ^{13/}

In 1959, Polish ships carried 1.62 million tons of the 5.06 million tons of imports by sea, or 32 percent. It is expected that in 1965 Polish ships will carry about 7 million tons of Polish foreign trade. If about one-half of this amount consists of imports, Polish ships will be carrying between 40 and 45 percent of the planned imports by sea.

Imports of ores by sea underwent a shift in areas of origin in 1958 and again in 1959 (see Table 8*). Ore brought in from India, China, and Africa decreased significantly in 1958 but increased somewhat in 1959. Supplies from Sweden, Norway, and Finland decreased from 1957 through 1959. In the meantime, imports of ore from Brazil in 1959 were three times the amount imported in 1957. Fluctuations in freight rates may have had something to do with the apparent shift in the

* Appendix A, p. 40, below.

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source of origin from Asia to Brazil in 1958,* but the more cogent reasons probably were a shortage of ore in China for export and the development of trade with Brazil. In the past several years, foreign trade planners have stressed the desirability and the possibility of increasing trade with underdeveloped areas, including South America.

The principal source of ores is the USSR, which supplied 4.6 million tons in 1958, 73 percent of total ore imports of 6.3 million tons. Only 209,000 tons of Soviet ores came in by sea, but almost all the ores coming from other sources move by sea. Poland plans to import about 13.2 million tons of iron ore alone in 1975 compared with 5.75 million tons in 1958. 15/ The USSR is expected to supply 9.97 million tons of iron ore (133 percent more than in 1958) and the Free World to supply about 3.2 million tons, 117 percent more than in 1958. Because of recent indications that the USSR may not be willing to continue to increase deliveries of raw materials to the Satellites after 1965, 16/ it is possible that Poland will be forced to look to other sources by 1975 for some of the 9.97 million tons normally expected to come from the USSR. If so, the sources of supply can be expected to shift from Bloc to non-Bloc countries and the delivery to be made by sea.

The present plan for 1975 compared with 1957 includes seaborne imports of iron ore, as follows 17/:

<u>Type of Iron Ore</u>	<u>Thousand Tons</u>	
	<u>1957</u>	<u>1975</u>
Steelmaking ores	693	1,720
Low-silicon ores	777	1,080
Concentrates		
Scandinavian	344	400
Soviet (Murmansk)	0	500
Other	62	0
Total	<u>1,876</u>	<u>3,700</u>

* In 1957, freight rates on ores from Asia were much higher than the cost of the ores themselves, in some cases more than double. Iron ore from Communist China cost f.o.b. (see the footnote on p. 14, below) \$7.75 per ton plus a freight rate of \$18.87. Ore from Goa cost \$6.50 per ton plus freight of \$11.96. Both groups of ore had iron contents of 60 percent. 14/ The average freight rate for Brazilian ore in 1957 was about \$9.87. In 1958, freight rates on iron ore dropped back to about \$6.50 from India and about \$9.00 from China against about \$6.25 from Brazil.

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Sources for the low-silicon ores are listed as Sweden, Communist China, and Africa, but no amounts are specified. Sources for the steelmaking ores apparently are left open to trade developments. South America has not been specifically mentioned as a source, and it appears that China is not being considered a major source even for the low-silicon ores, because it was stated that 500,000 tons will be imported from the USSR by sea and 3.2 million tons will be imported from "the capitalist countries," thus accounting for the planned total. If the trend of the past 4 years continues, deliveries from Scandinavia and Asia may be proportionately lower and from South America higher.

Imports of grains since 1955 have been subject to rather sudden and extreme shifts of origin and shifts in the amounts moving by sea rather than by land. Major sources during 1955-59 are shown in Table 2. Details of imports by sea are given in Table 8.*

Table 2
Major Sources of Polish Imports of Grain a/
1955-59

	Thousand Metric Tons				
	<u>1955 b/</u>	<u>1956 b/</u>	<u>1957 c/</u>	<u>1958 c/</u>	<u>1959 c/</u>
Total imports	1,202	1,045	2,032	1,184	1,801
Of which:					
USSR	392	103	1,211	326	862 d/
US	0	0	400	823	532
Canada	42	280 e/	289	9	250
Argentina	327	0	0	0	0
France	263	139	33	0	N.A.
West Germany	15	274	0	0	N.A.
Seaborne imports f/	420	330	864	866	890

a. Including wheat, rye, corn, barley, and rice. Totals apparently do not include oilseeds or wheat flour, and these products have therefore not been included in the data for each country.

b. 18/

c. 19/

d. 20/

e. Including 32,000 tons of wheat credited to Communist China but believed to have been shipped directly to Poland.

f. Figures for 1955-56 are estimated minimums. Figures for 1957-59 are as reported.

* Appendix A, p. 40, below.

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As a result of the PL 480* trade agreements with the US for 1959 and 1960, about 1 million tons of grains may be imported by Poland in 1960 from the US alone, and recent talks with Canada indicate that shipments of wheat to Poland in 1960 will remain at a level of about 250,000 tons. 21/ Deliveries by sea to Poland in 1960 will therefore be at least 1.2 million tons. The goal of the Ministry of Agriculture is to increase production enough to be again almost self-sufficient in wheat by 1975, but maritime planners are expecting continued imports of about 1 million tons annually through 1975 and are planning fleet needs accordingly. 22/ A further supposition was made by the maritime planners that the direction of imports would change from North America to South America and Asia because of lesser payments difficulties and greater opportunities for developing trade. It appears, however, that if imports of grains remain at the present high level, the US and Canada will have to continue to be the major suppliers, inasmuch as Asia is not a large grain exporting area and Argentina and Uruguay are not expected to be able to deliver to Poland the quantities involved. Furthermore, in July 1960 the time by which Poland must begin repaying the loan in US dollars was postponed to 1970. 23/

Imports of petroleum by sea come entirely from the Black Sea and in 1959 made up 26 percent of total imports of petroleum compared with 34 percent in 1958. Maritime plans for 1965 call for 3 million tons to be imported by sea and for 1975 for about 6 million tons by sea of a total import of 10 million tons. 24/ A pipeline is under construction from the Soviet oil-producing areas to certain of the European Satellites, including Poland. Full utilization of the pipeline may drop the seaborne share of petroleum imports to as low as 2.0 million tons in 1965 and 3.5 million tons in 1975. Plans for tankers call for about 19 tankers by the end of 1965 capable of transporting about 3 million tons of oil from the Black Sea to Poland. If not used on the Poland run, these vessels may be chartered by the USSR for special situations such as the present use of Polish tankers in the Black Sea - Cuba trade.

III. Use of Foreign Ships**

A. General

A country must export in order to import and must therefore have ships available to carry its exports as well as its imports.

* The Agricultural Trade and Assistance Act (Public Law 480) provides for the sale of government-owned surplus agricultural products to foreign countries. The sales are financed by the US in the form of loans to the recipient countries to cover the cost of purchase of the agricultural products.

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Consequently, a country is basically dependent on foreign ships to carry all its seaborne trade that is not carried by its own ships. The country in question, however, must actually find and hire ships only for imports shipped f.o.b. and exports shipped c.i.f.,* hereafter generally referred to as controlled cargo. For the rest (c.i.f. imports and f.o.b. exports), the foreign shipper or consignee is responsible for the transport and must find the ships. The total seaborne trade compared with the controlled trade of Poland since 1955 is shown as follows:

	Thousand Tons				
	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>
Total seaborne trade	<u>13,028</u>	<u>12,197</u>	<u>10,714</u>	<u>13,677</u>	<u>14,125</u>
Polish ships	2,291	2,310	2,646	2,729	3,377
Foreign ships	10,737	9,887	8,068	10,948	10,748
Cargo controlled by Poland	<u>5,039</u>	<u>3,717</u>	<u>4,984</u>	<u>6,736</u>	<u>6,724</u>
Polish ships	1,973	1,897	2,067	2,273	2,634
Foreign ships	3,066	1,820	2,917	4,463	4,090

The low of 1.8 million tons of controlled trade left to foreign ships in 1956 and the high of 4.5 million tons in 1958 were closely related to fluctuations in the amounts of imports shipped f.o.b. and exports shipped c.i.f. In 1956, only 72.2 percent of total seaborne imports moved f.o.b. and only 10.1 percent of total exports moved c.i.f., but in 1958 the respective percentages had climbed to 88.6 percent of imports and 25.7 percent of exports and in 1959 to 82.9 percent of imports and 27.9 percent of exports.

* The term f.o.b. means free on board, and the term c.i.f. means cost, insurance, freight. Under c.i.f. terms the buyer pays the seller the cost of the transport included in the total quoted cost of the goods. The seller, therefore, controls the mode of transport, hires the vessel, and pays the shipowner the freight charges for the transport. Poland as the seller controls the transport of its c.i.f. exports. Under f.o.b. terms the buyer pays the seller only the price of the goods delivered to the port of loading. The buyer, therefore, controls the transport of the goods, hires the vessel, and pays the shipowner. Poland as the buyer controls the transport of its f.o.b. imports.

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Controlled cargo carried by foreign ships was divided between import and export cargo as follows:

	Thousand Tons				
	<u>1955</u>	<u>1956</u>	<u>1957</u>	<u>1958</u>	<u>1959</u>
Imports	1,656	1,602	2,449	3,019	2,570
Exports	1,410	218	468	1,444	1,520

These amounts were the only foreign trade for which it was necessary that Poland hire foreign ships. In Table 3* an analysis has been made of Polish requirements for foreign ships to carry the controlled cargo in 1959. The countries selected are those to and from which the largest quantities of controlled cargo moved on foreign ships in 1959. The tons covered by this sampling amounted to 90 percent of the controlled imports and 84 percent of the controlled exports carried by foreign ships. The calculation of ships continuously employed on each route represents the numbers and deadweight tonnage of ships that would be required to move the cargo if the same vessels were used continuously for the full year.**

Several points stand out from the analysis of the needs of Poland for foreign ships in 1959 that is presented in Table 3. First, the heaviest concentrations of cargo and of foreign vessel tonnages needed to haul this cargo were in the long-haul routes -- Argentina, Brazil, the US, and Communist China. Greater concentrations of Polish ships in the short-haul and medium-haul ranges left less of the controlled cargo to be carried by foreign ships.

Second, the surprising amount of foreign ships hired in the export trade in 1959 was accounted for to a large extent by the heavy c.i.f. trade with Argentina. This situation also was true in 1958, when the large exports of coal to Argentina resumed, almost all moving c.i.f. Poland has put no tramps into this South American trade. Polish colliers are being employed entirely in the Baltic, and all are of the 3,000-DWT to 5,000-DWT class compared with the 10,000-tonners which are being hired for the South American run. If the large amounts of coal exports and iron ore imports (from Brazil) continue, Poland may acquire larger tramps specifically for the South American run.

* Table 3 follows on p. 16.

** Because of seasonal variations, some routes will require more ships during one season than implied in Table 3 and fewer or none during another, particularly for imports from the northern Baltic and Barents Seas, where ice conditions occur.

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Table 3

Polish-Controlled Seaborne Trade with Selected Countries
and Estimated Polish Requirements for Foreign Ships
1959

	Polish-Controlled Cargo ^{a/} (Thousand Metric Tons)			Estimated Average Cargo Tons per Vessel	Estimated Requirements for Foreign Vessels		
	<u>Total</u>	<u>Polish Vessels</u>	<u>Foreign Vessels</u>		Number of <u>Voyages</u>	<u>Continuously Employed ^{b/}</u>	
						<u>Number</u>	<u>Deadweight Tons</u>
Exports (c.i.f.)							
Argentina	786	11	775	10,000	78	16	160,000
UK	313	140	173	2,000	86	4	8,000
Greece	158	28	130	4,500	29	3	13,500
Pakistan	119	3	116	9,000	13	2	18,000
Ireland	86	9	77	2,000	38	2	4,000
Subtotal	<u>1,462</u>	<u>191</u>	<u>1,271</u>		<u>244</u>	<u>27</u>	<u>203,500</u>
Imports (f.o.b.)							
Finland	204	140	64	4,000	16	c/	c/
Norway	132	23	109	6,000	18	1	6,000
Sweden	608	243	365	4,000	91	4	16,000
Rumania	268	145	123	12,000	10	1	12,000
USSR							
Barents Sea ^{d/}	298	91	207	8,000	26	3	24,000
Black Sea	226	167	59	12,000	5	c/	c/
North Africa	252	112	140	8,500	16	2	17,000
West Africa	101	11	90	9,500	9	1	9,500
US	605	42	563	10,000	56	9	90,000
Brazil	315	36	279	10,000	28	5	50,000
Communist China	489	187	302	10,000	30	8	80,000
Subtotal	<u>3,498</u>	<u>1,197</u>	<u>2,301</u>		<u>305</u>	<u>34</u>	<u>304,500</u>
Total	<u>4,960</u>	<u>1,388</u>	<u>3,572 e/</u>		<u>549 e/</u>	<u>61</u>	<u>508,000</u>

b. For methodology, see Appendix B. No provisions have been made for seasonal variation.

c. Less than the unit employed -- that is, one ship would not be required for more than about half a year.

d. A small portion of this traffic moves in the Baltic but cannot be broken out by flag of ship.

e. These figures should not be construed as a guide to the amount of ships or vessel tonnage that Poland actually chartered but as the minimum amount of foreign tonnage used by Poland. About 180,000 tons of the 3.6 million tons moved on foreign vessels was general cargo (including about 70,000 tons of the exports to the UK and about 90,000 tons of the imports from Communist China) and probably moved on liners rather than chartered tramps. Furthermore, records of the movement of grain from the US to Poland in 1958 indicate that Poland actually chartered only about one-half of the tramps involved, the others being chartered by brokers in the US acting as agents for Poland. In other import trades, however, Poland probably chartered directly about 80 percent of the ships involved. Because of the sequence of estimates used to derive these figures, the results should be used only as indications of the magnitude of requirements.

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Third, although trade statistics such as those shown in Table 6* would indicate that most of Poland's chartering activity was in the Baltic, actually very little foreign vessel tonnage apparently was hired for Baltic service. None of the 3.1 million tons of export cargo to the Scandinavian Baltic carried in foreign ships was under Polish control. Moreover, whereas only 301,000 tons were exported under Polish control (c.i.f.) to Scandinavia, Polish ships carried 885,000 tons and therefore obviously carried mostly cargo that was under foreign control (f.o.b.). As for imports in the Baltic, although 439,000 tons moved in hired foreign ships and about 110 voyages (including about three from Denmark that are not shown) were required to move this cargo, the distances are so short that the number of ships continuously needed and the deadweight tonnage involved were relatively negligible.

Finally, the heaviest activity in the import trade, if judged by the maximum number of single voyages, was in the Baltic trade, but, if judged by the more meaningful amount of ships and ship tonnage continuously required, the heaviest use of foreign ships was in the trades from the US, Communist China, and Brazil.

B. Nationality of Foreign Ships

1. Charter Fixtures**

Only two types of records are available to indicate the nationalities of ships used by Poland -- that is, the nationalities of ships calling at Polish ports and of non-Bloc vessels chartered by Poland. Charter records presently available for 1959 indicate that a minimum of 235 charter fixtures of Western ships was concluded by Poland as the direct charterer, involving about 320 voyages and 2.4 million DWT. Those flags providing more than 100,000 DWT were as follows:

<u>Flag</u>	<u>Number of Voyages</u>	<u>Thousand Deadweight Tons</u>
Liberian	26	338
Norwegian	29	286
Greek	25	285
Italian	25	262
Swedish	30	232
West German	66	210
British	18	194
US	11	121
Finnish	14	108

* Appendix A, p. 36, below.

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Although the records may be incomplete by 20 to 25 percent, the above breakdown probably is an accurate indication of the relative weight of the flags used in Polish charter service, particularly in trade between Poland and areas outside the Baltic. The small amount of trade in the Baltic and along the European coast under Polish control was mainly handled by small coastal ships in liner service and by small tramps employed constantly on the same route. A liner will never, of course, turn up as a charter (or by definition it will no longer be in liner service), and the small tramps are not likely to turn up as individual charter fixtures if periodic arrangements are made with the owners to provide the constant service.

There were 13 ships under time charter to Poland in 1959, totaling about 66,000 DWT. Most of these ships were hired for short periods, 3 to 4 months, and were employed in the regular liner services of Polish Ocean Lines and the Polish Steamship Company. In 1958, there were 11 ships under time charter, totaling 96,500 DWT, and in 1957 there were 14 ships, totaling 117,700 DWT.

The majority of ships under time charter were Scandinavian. No particular flag was consistently favored, but in 1958 there seems to have been a shift from the Finnish flag to the Danish flag. In 1957, Poland time-chartered four Finnish ships and one Danish, in 1958 two Finnish and four Danish, and in 1959 one Finnish and three Danish. The other ships under time charter in 1959 were three West German, three Norwegian, two Dutch, and one Swedish.*

2. Vessels Serving Polish Ports

The foregoing sections have covered only that shipping capacity which Poland was obliged to hire, either directly or through foreign brokers. Table 4** includes all ships calling at Polish ports with cargo, regardless of whether Poland or another country hired them.

Both in numbers and in amounts of tonnage offered, West German ships led the field. It is obvious from the average size, however, that most of them were small coastal ships employed locally in the short-haul runs. Only four flags showed a drop in 1958 in capacity of vessels entering and clearing with cargo -- Finnish, Soviet, Norwegian, and French -- and only the Soviet capacity decreased significantly. US, Italian, and Liberian ships entered the trade more heavily in 1958 than in 1956, Italian ships apparently because of the 400-percent

* Details by individual ships, service areas, length of charter, and charter hire are available in the files of this Office.

** Table 4 follows on p. 19.

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Table 4

Nationality of Vessels
Entering and Clearing Polish Ports with Cargo a/
1956 and 1958

<u>Flag of Vessel</u>	<u>1956</u>		<u>1958</u>	
	<u>Number of Vessels</u>	<u>Thousand Net Register Tons <u>b/</u></u>	<u>Number of Vessels</u>	<u>Thousand Net Register Tons <u>b/</u></u>
Polish	1,945	1,789	2,350	2,635
German <u>c/</u>	2,438	1,222	3,060	1,260
Swedish	906	656	768	749
Finnish	767	741	768	670
US	38	174	130	589
Soviet	619	970	259	585
Danish	1,208	390	1,741	484
British	226	451	299	480
Norwegian	359	574	323	451
French	204	341	169	290
Liberian	22	93	61	263
Italian	23	71	66	263
Dutch	398	156	471	181
Greek	22	59	N.A.	N.A.
Other	157	320	229	663
Total	<u>9,332</u>	<u>8,007</u>	<u>10,694</u>	<u>9,563</u>

a. Figures are compiled from Table 9, Appendix A, p. 41, below. It should be noted that some vessels both entered and cleared with cargo and are thus counted twice. For the preponderance of movements in-bound or outbound with cargo and in ballast, see Table 9.

b. Net register tonnage is a measure of the size of the cargo space of a vessel in which 100 cubic feet equal 1 net register ton. Net register tonnage is not a measure of cargo-carrying capacity in weight, as is deadweight tonnage. The deadweight tonnage of a vessel is roughly 2.5 times the net register tonnage.

c. Including both East and West German vessels, probably only about 5 percent of the capacity being East German. See Table 9, footnote d, Appendix A, p. 41, below.

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increase in sea trade with Italy, and US and Liberian vessels because of the increased US-Polish trade.

Whereas cargo turnover in Polish ports increased only 9 percent in 1958 above the level of 1956, the total capacity of ships entering and clearing with cargo increased 19 percent. This fact indicates increased liner service in 1958, with more ships loading or discharging partial loads.

Table 9* shows the movement of ships in and out of Polish ports with cargo and in ballast. The inbound trade was generally served by transoceanic vessels, and the export trade was served predominantly by coasters. The greatest total capacity offered inbound with cargo was under the Soviet flag, closely followed by the US, West German, and Swedish flags. Only a portion of the West German ships, however, were in the long-haul import trade.

The greatest total capacity offered outbound with cargo was under the West German flag, which included a high proportion of coastal vessels. The next largest capacities outbound were under the Finnish, Swedish, and Danish flags, which also included a number of coastal vessels.

The growth in US flag capacity offered from 1956 to 1958 was a result of the US-Polish trade agreement. The vast majority of cargoes between the US and Poland moved into Polish ports. There was little traffic from Poland to the US. The fact that the total capacity of US ships leaving Polish ports with cargo in 1958 was higher than the capacity of Soviet ships leaving Polish ports is not significant. Undoubtedly the average lading onto the US ships outbound was far less than the vessel capacity offered and was far less than the average lading outbound on Soviet ships.

There was a marked shift in the direction of loaded Soviet ships in 1958 compared with 1956, from outbound with cargo to inbound with cargo. This revision paralleled the shift in seaborne trade between Poland and the USSR. Exports by sea from Poland to the USSR decreased 91 percent from 1956 to 1958, and the capacity of Soviet ships leaving Polish ports with cargo decreased 80 percent. Imports to Poland from the USSR increased 220 percent, and the total capacity of Soviet ships entering Polish ports with cargo increased 91 percent. These changes imply that Poland was not depending on Soviet vessels to carry Polish foreign trade other than trade between Poland and the USSR itself. The continued excess capacity of Soviet ships over the

* Appendix A, p. 41, below.

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volume of Soviet-Polish trade may indicate that Soviet ships were carrying some transit trade through the Polish ports.

3. Ships of Baltic Countries*

To a certain extent, Finnish and Swedish as well as Soviet flag vessels were preferred by Poland up to 1958 because of the ease of settling freight bills in periodic clearing rather than paying directly in free currency. From 1952 through 1956, Baltic flag ships carried between 20 and 40 percent of the bulk cargoes freighted by Polfracht,** the central Polish shipbroker and freight forwarder. The subsequent decline of this traffic in 1957 to 16 percent was claimed by the Poles to be the result in part of the provisions in their US trade agreement calling for the transport of 50 percent of PL 480 exports in US bottoms.*** Short-haul shipments were also shifted away from Scandinavian ships to West German and Dutch ships in 1957, the reason being, according to the Poles, the increasing shortage of small and medium-size ships in the Scandinavian countries.

4. Liner Service†

In order to secure more transit cargoes for Polish ports, particularly those cargoes that have been going through Hamburg, Poland has been attempting to establish and attract more liner service. There were 17 foreign lines serving Polish ports in 1958 and at least 30 (possibly 35 to 45) monthly sailings. Swedish lines, comprising

* Unless otherwise indicated, material in this section [redacted] includes ships of Finnish, Swedish, Norwegian, Danish, Soviet, and East German registry. Details of cargo tons carried by these flags from 1952 through 1957 are available in the files of this Office.

** Polfracht handled some of the cargo of other Satellites that transited Polish ports, as well as Polish foreign trade cargo. It is not presently possible to break this cargo out by flag of vessel used. *** The Agricultural Trade and Assistance Act (PL 480) and the Cargo Preference Act (PL 664) were both enacted in 1954. Title I of PL 480 provides for the sale of government-owned surplus agricultural products to foreign countries. PL 664, popularly referred to as the 50-50 law, requires that at least 50 percent of US government-financed cargoes be moved on US flag vessels, thus including cargoes sold under PL 480 as well as aid cargoes under the Mutual Security Act, cargoes financed with Export-Import Bank funds, and others.

50X1
50X1

50X1

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eight companies serving seven major areas, offer the most comprehensive service. Only two Danish companies serve Polish ports regularly, but one of these, the East Asiatic Company, offers three lines to separate trade areas. The Wilhelmsen Line, the only Norwegian company, offers two lines, and there are two lines under the Finnish flag. The United States Line serves the Polish ports, and there is one line each under the Dutch, West German, and British flags. Most of the management of the UK company, the United Baltic Corporation, however, is Danish.

IV. Role of the Polish FleetA. Areas of Operation

The utilization of the Polish fleet in 1959 was generally well in line with the distribution of Polish seaborne trade, as follows*:

Area	Percent	
	Distribution of Seaborne Trade	Distribution of Polish Trade Carried by Polish Ships
Western Europe and western USSR	59	58
Mediterranean	9	8
Black Sea	4	9
North America	7	2
South and Central America	9	6
East Asia	3	4
Far East	4	8
Other	5	5
Total	<u>100</u>	<u>100</u>

The Black Sea and the Far East stand out as areas where the share of the fleet performance is greater than the share of trade moving. The concentration in the Far East is a logical development from the establishment of the Far East Line to serve Communist China during the sanctions arising from the Korean War, the continuing assignment of a large segment of the fleet to Chipolbrok to serve primarily Chinese trade, and the large volume of Czechoslovak and East German cargo moving on the route.

* Figures are compiled from Table 6, Appendix A, p. 36, below.

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North and South America are the two most obviously neglected areas. Both are areas where trade has suddenly expanded. More effort has been expended by the Poles to service the South American trade than the North American trade, presumably in the expectation that the level of South American traffic will continue. If the US-Polish trade agreements continue, however, more ships can be expected to be assigned to this run also. Carriage of Polish foreign trade by Polish ships on these lines suffered not only from a lack of ships, however, but also from the fact that the Polish ships were carrying large quantities of non-Polish cargo. The North American Line carried 136,600 tons in 1959, and only 66,400 tons were Polish trade cargo. On the South American Line, 316,600 tons were carried, of which only 196,400 tons were Polish trade. 29/ The rest, 190,400 tons, was cargo carried on these two routes for other Bloc countries plus Western interport cargo carried in order to earn foreign exchange. Both routes are good sources of transferable currency.

Distribution of performance to individual countries within the areas outlined above is apt to be more uneven, which is understandable in view of the unevenness of trade with individual countries, both in quantities of exports versus imports and in fluctuations from year to year. An excellent example of both is the traffic moving in trade with Argentina and with Italy (see Tables 5 and 6*).

Official performance figures, covering Polish-controlled vessels only,** for 1956-59 are as follows 30/:

Type of Service	Thousand Tons			
	1956	1957	1958	1959
Scheduled	1,066	1,193	1,492	1,916
Tramp	1,418	1,768	1,885	2,172
Total	<u>2,484</u>	<u>2,961</u>	<u>3,377</u>	<u>4,088</u>

Although only 27 percent of the fleet tonnage in 1959 was employed in tramp service, 31/ so much of the tramp tonnage was in short-haul areas that the cargo carried by tramps was 53 percent of the total cargo carried. Nevertheless, liner service is being increasingly stressed, not only to earn higher rates in this period of a depressed tramp market but also to establish regular contact with the areas served,

* Appendix A, pp. 32 and 36, respectively, below.

** For a breakdown of Polish-controlled, Polish-owned, and Polish flag ships, see Table 10, Appendix A, p. 43, below.

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particularly underdeveloped areas. It will be noticed that whereas tramp cargo increased 25 percent in 1957 and liner cargo increased 12 percent, the ratio of increase was reversed in 1958: liner cargo increased 25 percent and tramp cargo 7 percent.

Tramp service was provided at the end of 1959 by 7 tankers under Polish Ocean Lines (PLO) totaling 75,000 DWT and 24 dry cargo ships operated by the Polish Steamship Company (PZM) totaling 116,000 DWT.* The five large PLO tankers were operating exclusively on the Black Sea - Poland run and the two small tankers along the Polish coast. The smaller PZM dry cargo tramps (2,000 to 5,000 DWT) were operating largely in the Baltic and North Seas, and six 10,000-tonners were operating to the Mediterranean and North Africa. Any bulk cargoes moving in trade with other territories, such as Argentina, Brazil, India, Communist China, and the US, were moved either in foreign bottoms or by Polish liners (as in the case of the inbound ore from China).**

Almost all areas served by the Polish fleet are connected by liner (scheduled) services:

<u>Areas Served by Polish Regular Lines</u>	<u>Frequency of Sailings per Month from Polish Ports</u>
East Asia	5 to 6
South Asia	
(Indian subcontinent)	2
North America	2
South America	2 to 3
West Africa	1 to 2
Levant	3 to 4
Braila-Levant	
(from Braila)	1 to 2
Albania	2
UK and Ireland	13 to 15
Western Europe	20 to 22
USSR-Baltic	1 to 2
Iceland	1
Finland	4
Stockholm	3
Scandinavia	
(triangular trade)	10 to 11

50X1

** See Table 8, p. 40, below.

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By far the heaviest vessel tonnage is on the East Asia Line, on which about 26 ships totaling 280,000 DWT were employed in the first 6 months of 1960. Of these, 16 totaling 166,000 DWT were under Chipolbrok and served North and South China, and 10 totaling about 114,000 DWT were under PLO and served Southeast Asia and Japan. Eight other ships totaling about 80,000 DWT (including one chartered ship) were on the South Asia Line serving India, Burma, Pakistan, and Ceylon. Altogether the vessel tonnage employed on regular lines to areas east of Suez totaled 360,000 DWT, or more than 50 percent of the entire Polish fleet tonnage.

The liner services established since late 1958 are to West Africa, Israel, other Levant ports, and Iceland. A service to the Red Sea and the Persian Gulf is in the planning stage. All services are to underdeveloped areas with which Bloc trade is growing.

B. Maritime Policy

For the past 4 or 5 years the two primary policy considerations in the employment of the Polish fleet have been to increase the amount of Polish foreign trade carried by the fleet, the criterion being 50 percent, and to employ the fleet in such a way that increasing amounts of foreign exchange can be earned and saved. Insofar as foreign exchange is earned by carrying that foreign interport cargo which is a natural byproduct of increased scheduled services and by carrying Polish f.o.b. exports, the freight charge for which is paid by the foreign importer, the policy of also carrying an increasing share of Polish foreign trade is not adversely affected. These two methods of earning foreign exchange have developed rapidly.*

A third method of earning foreign exchange, however, has hampered the attempt to increase the share of Polish foreign trade carried by Polish ships. This method is the use of Polish ships to carry cargo for other Bloc nations. Most of this cargo transits Polish ports, going to and from the same areas as the Polish cargo and, when booked on Polish ships, generally displaces Polish cargo.

* Carriage of foreign interport cargo more than doubled between 1956 and 1959, 33/ and carriage of f.o.b. exports has almost doubled since 1957, rising from about 580,000 tons to almost 1.1 million tons in 1959. 34/

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It is estimated that in 1959 all Polish ships carried about 5 million tons, as follows:

<u>Type of Cargo</u>	<u>Thousand Tons</u>
Polish foreign trade*	3,400
Western interport cargo	400 to 500
Other Bloc cargo	1,100 to 1,200
Total	5,000**

Most of the 400,000 to 500,000 tons of Western interport cargo would not have displaced Polish cargo, but much if not most of the space taken on Polish ships to carry the 1.1 million to 1.2 million tons for other Bloc countries might otherwise have been used to carry Polish cargo. On first examination this situation would seem to pose a dilemma. On the one hand, Poland must hire Western ships, paying their hire in transferable currency, to carry Polish cargo that Polish ships cannot carry. At the same time, much of the foreign exchange earned by the Polish fleet through carrying other Bloc cargo is non-transferable currency. This situation would seem to defeat the policy aim of using the fleet to earn and save foreign exchange. On the other hand, Poland wishes to increase the use of the Polish ports by Czechoslovakia and East Germany in order to earn port and rail fees on the transit cargo. To attract the transit cargo away from Hamburg, Poland has had to agree to carry a large portion of it in Polish ships. 36/

Total transit through Polish ports in 1959 amounted to 3.3 million tons 37/ compared with the approximately 1 million tons of Polish cargo displaced from Polish ships by transit cargo and carried by foreign ships. The total amounts earned on the transit cargo undoubtedly are enough to compensate for the amounts spent on foreign ships. Furthermore, the Maritime Transport Subcommittee of CEMA has been negotiating Bloc-wide cooperation in the field of ocean transport. 38/ Poland, operating the only fleet of any size among the Satellites, is logically considered to be the principal ocean carrier and is under pressure to carry even more cargo for other CEMA members.

* 35/

** Estimate based on 4.1 million tons carried by all Polish ships except the ships under Chipolbrok control (see Table 10, Appendix A, p. 43, below) plus 900,000 tons estimated to have been carried by the 16 Chipolbrok ships.

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With the development of the Polish fleet as ocean carrier for the Bloc, therefore, all recent plans have been based on the proportion of total Polish port traffic to be carried by the fleet instead of the proportion of Polish seaborne foreign trade. 39/ As a result, Polish ships carried 24 percent of Polish seaborne trade in 1959* compared with about 31 percent that might have been achieved if Polish ships had carried 1 million tons more of Polish cargo in place of the other Bloc cargo.

Because of the attractive earnings on transit cargo as well as pressure from CEMA, Poland undoubtedly will continue to carry increasing quantities of cargo for other Bloc members. It is estimated that Polish ships may carry by 1965 as much as 2 million tons for other Bloc members.

V. Plans and Prospects

A. Carriage of Seaborne Foreign Trade

Long-range plans for Polish fleet and port development have been hampered by the lack of agreement between the Ministry of Foreign Trade and other ministries concerning the amount of trade to move, its origins and destinations, and therefore the modes of transport to be used. Since 1956, maritime planners have used the figure of 18.5 million tons in the plans for 1965 but have sometimes reported this figure as total planned port traffic and sometimes as the amount only of Polish seaborne foreign trade. Because port traffic has already risen to 18 million tons in 1959 and because all elements of port traffic -- Polish foreign trade, transit traffic, and bunkers -- are expected to increase by 1965, it is believed that seaborne trade may be about 18.5 million tons in 1965 and that total port traffic may be at least 23.5 million tons.

Table 10** presents various indicators of the maritime economy for 1956-59 and plans and estimates for 1965, 1970, and 1975. Whereas ships under the Polish flag carried 19 percent of Polish seaborne trade in 1956 and 24 percent in 1959, it is expected that about 38 percent will be carried in 1965 and at least 40 percent in 1970. Although the size of the fleet in 1975 (at least 3.5 times the 1959 capacity) would indicate the ability to carry at least 55 percent of Polish seaborne foreign trade, the estimate has been limited to 50 percent because of the imbalance in the direction of seaborne trade discussed above.***

* Based on Table 10, Appendix A, p. 43, below.

** Appendix A, p. 43, below.

*** See II, A, p. 6, above.

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Because the amount of Polish trade carried by Polish ships in 1975 is estimated to be only about 11 million tons, it is expected that the Polish-owned fleet will carry at least 7 million tons of Western interport cargo and cargo of other Satellites compared with 1.6 million tons in 1959 and 3.7 million tons (estimated) in 1965. By 1975 the Polish fleet, therefore, may be carrying more non-Polish cargo alone than the total cargo carried in 1959.

The amounts of seaborne trade carried by foreign ships, 9.9 million tons in 1956 and 10.7 million tons in 1959, may be about 11.5 million tons in 1965 and 11.0 million tons in 1975.* Only 1.8 million tons carried by foreign ships in 1956 and 4.1 million tons in 1959, however, were trade controlled by Poland and for which Poland hired the foreign shipping space.** It is probable that in 1965 almost 9 million tons will be trade controlled by Poland.*** Polish ships are expected to carry 6 million tons of the controlled trade. 40/ Foreign ships may therefore carry only about 3 million tons of the cargo for which Poland pays the transport costs. Polish ships, however, may carry about 1 million tons of foreign-controlled Polish trade cargo and about 3 million tons of Western and Bloc cargo, a total of about 4 million tons of freight on which Poland will be earning foreign exchange.

B. Polish Fleet in World Maritime Affairs

Not only should maritime transport be a source of net foreign exchange income by 1975 rather than causing a net loss as at present, but the Polish fleet will be branching out into world trade. Poland may become one of the world's 15 or so major maritime nations, competing for world cargo with the traditional maritime nations. The Polish fleet, like the fleets of other European Satellites and Communist China, is growing at a pace far greater than the world fleet.† Furthermore, as the Czechoslovak, East German, and Chinese fleets grow, there may be less need for the Polish fleet to provide service for the foreign trade of those countries, and more of the non-Polish cargo carried probably will be Western interport cargo. By 1965, about 1 million

* Estimates of total trade to be moved are considerably higher, based on recently available material, than estimates published within the past 2 years, leaving more to be carried by foreign ships.

** See III, A, p. 13, above.

*** Estimated to be 48 percent of total trade, based on the 1958-59 proportions.

† The capacity of the world fleet grew by 21 percent between 1956 and 1959 compared with the growth of the Polish fleet by 68 percent in the same period 41/

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tons of Western interport cargo may be carried compared with about 2 million tons of other Bloc cargo.

The Polish fleet also should be considered in the framework of CEMA plans. It is now and will continue to be the second largest fleet of the CEMA members. Although Poland has in print disavowed the competitive use of its growing fleet in reassurances to Western maritime nations that have already shown concern, there is evidence in the press of the more belligerent Bloc countries that the combined CEMA fleets will be used as political as well as economic instruments. Besides the attempt to minimize Bloc dependence on foreign ships, prime targets of CEMA are to harass or damage the world shipping conferences where possible and to establish firm ties with the emerging underdeveloped countries through bilateral monopoly shipping agreements. The countries of the Bloc are establishing liner services to these new countries and are helping them to establish fleets of their own, with fanfare to the effect that they are "opposing the imperialist shipping monopoly." 42/

Although Polish maritime writers are not engaging in such diatribes concerning CEMA plans, the Polish fleet, nevertheless, has been establishing liner services to underdeveloped areas that the press of other CEMA countries point to as part of the CEMA plans. Any evaluation of the future use of the Polish fleet must take into account the fact that it will be a major instrument of CEMA activities.

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APPENDIX A

STATISTICAL TABLES

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Table 5

Direction of Polish Seaborne Foreign Trade a/*
1956-58

Area and Country	Thousand Metric Tons								
	1956			1957			1958		
	Import	Export	Total	Import	Export	Total	Import	Export	Total
Grand total	<u>4,002</u>	<u>8,132</u>	<u>12,134</u>	<u>4,791</u>	<u>5,923</u>	<u>10,714</u>	<u>5,117</u>	<u>8,560</u>	<u>13,677</u>
Scandinavian Baltic	<u>801</u>	<u>2,952</u>	<u>3,753</u>	<u>1,056</u>	<u>2,960</u>	<u>4,016</u>	<u>997</u>	<u>3,561</u>	<u>4,558</u>
Denmark	5	446	451	5	503	508	9	1,256	1,265
Finland	247	1,482	1,729	376	1,753	2,129	368	1,510	1,878
Sweden	549	1,024	1,573	675	704	1,379	620	795	1,415
USSR, Baltic Sea, and Barents Sea	<u>133</u>	<u>1,478</u>	<u>1,611</u>	<u>162</u>	<u>104</u>	<u>266</u>	<u>495</u>	<u>129</u>	<u>624</u>
North and Norwegian Seas	<u>657</u>	<u>1,529</u>	<u>2,186</u>	<u>567</u>	<u>560</u>	<u>1,127</u>	<u>472</u>	<u>1,345</u>	<u>1,817</u>
Norway	175	189	364	166	69	235	127	105	232
UK and Ireland	36	1,078	1,114	55	263	318	32	429	461
Iceland b/	7	27	34	7	44	51	10	41	51
Belgium	160	92	252	183	67	250	119	76	195
Netherlands	83	95	178	60	58	118	38	125	163
West Germany	196	48	244	96	59	155	146	569	715
Atlantic Europe	<u>325</u>	<u>1,271</u>	<u>1,596</u>	<u>122</u>	<u>1,411</u>	<u>1,533</u>	<u>75</u>	<u>1,079</u>	<u>1,154</u>
France	320	1,263	1,583	62	1,336	1,398	28	805	833
Portugal b/	5	8	13	2	11	13	2	24	26
Spain b/	0	0	0	58	64	122	45	251	295

* Footnotes for Table 5 follow on p. 35.

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Table 5
 Direction of Polish Seaborne Foreign Trade a/
 1956-58
 (Continued)

Area and Country	1956			1957			1958		
	Import	Export	Total	Import	Export	Total	Import	Export	Total
Mediterranean	<u>182</u>	<u>262</u>	<u>444</u>	<u>106</u>	<u>299</u>	<u>405</u>	<u>165</u>	<u>993</u>	<u>1,158</u>
Albania	97	11	108	47	15	62	100	30	130
Egypt	12	84	96	11	64	75	18	83	101
Greece <u>b/</u>	14	0	14	7	10	17	8	158	166
Israel <u>b/</u>	7	10	17	6	15	21	7	15	22
Italy	11	108	119	24	127	151	16	620	636
Jordan <u>b/</u>	0	6	6	0	8	8	0	16	16
Lebanon <u>b/</u>	Negl.	3	3	0	3	3	11	2	13
Syria <u>b/</u>	1	4	5	3	2	5	Negl.	1	1
Turkey	27	18	45	8	28	36	5	42	47
Yugoslavia <u>b/</u>	13	18	31	0	27	27	0	26	26
Black Sea <u>c/</u>	<u>469</u>	<u>0</u>	<u>469</u>	<u>492</u>	<u>0</u>	<u>492</u>	<u>579</u>	<u>0</u>	<u>579</u>
Bulgaria <u>b/</u>	24 <u>d/</u>	0	24	7 <u>d/</u>	0	7	22	0	22
Rumania <u>b/</u>	317	0	317	195	0	195	196	0	196
USSR <u>b/</u>	128	0	128	290	0	290	361	0	361
Africa (excluding Egypt)	<u>343</u>	<u>10</u>	<u>353</u>	<u>537</u>	<u>17</u>	<u>554</u>	<u>318</u>	<u>58</u>	<u>376</u>
North Africa	N.A.	N.A.	N.A.	525	7	532	300	24	324
Other	N.A.	N.A.	N.A.	12	10	22	18	34	52
North America	<u>414</u>	<u>193</u>	<u>607</u>	<u>859</u>	<u>66</u>	<u>925</u>	<u>1,204</u>	<u>79</u>	<u>1,283</u>
Canada <u>b/</u>	344	118	462	289	4	293	9	4	13
US <u>b/</u>	70	75	145	570	63	632	1,195	75	1,270

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Table 5

Direction of Polish Seaborne Foreign Trade a/
1956-58
(Continued)

Area and Country	1956			1957			1958		
	Import	Export	Total	Import	Export	Total	Import	Export	Total
South and Central America	<u>110</u>	<u>122</u>	<u>232</u>	<u>198</u>	<u>209</u>	<u>407</u>	<u>408</u>	<u>1,016</u>	<u>1,424</u>
Argentina	41	12	53	36	103	139	47	872	919
Brazil	60	62	122	159	94	253	359	115	474
Mexico <u>b/</u>	3	1	4	Negl.	1	1	e/	e/	e/
Other Central America	N.A.	N.A.	N.A.	Negl.	10	10	1	13	14
Other South America	N.A.	N.A.	N.A.	3	1	4	1	16	17
South Asia	<u>140</u>	<u>98</u>	<u>238</u>	<u>295</u>	<u>162</u>	<u>457</u>	<u>87</u>	<u>165</u>	<u>252</u>
Aden and Arabia <u>b/</u>	0	2	2	0	2	2	0	3	3
Ceylon <u>b/</u>	Negl.	1	1	1	1	2	2	2	4
India	119	87	206	272	48	320	61	25	86
Iran <u>b/</u>	1	3	4	1	1	2	Negl.	Negl.	Negl.
Iraq <u>b/</u>	0	1	1	0	1	1	0	Negl.	Negl.
Kuwait <u>b/</u>	0	1	1	0	2	2	0	12	12
Pakistan <u>b/</u>	20	3	23	21	32	53	24	83	107
Persian Gulf <u>b/</u>	0	0	0	0	75	75	0	41	41
Southeast Asia	<u>50</u>	<u>25</u>	<u>75</u>	<u>59</u>	<u>15</u>	<u>74</u>	<u>61</u>	<u>12</u>	<u>73</u>
Burma	24	9	33	Negl.	2	2	0	Negl.	Negl.
Indonesia <u>b/</u>	2	4	6	2	2	4	Negl.	Negl.	Negl.
Malaya <u>b/</u>	15	6	21	29	4	33	32	1	33
Thailand <u>b/</u>	0	2	2	0	3	3	0	4	4
North Vietnam <u>b/</u>	9	4	13	28	4	32	29	7	36

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Table 5

Direction of Polish Seaborne Foreign Trade a/
1956-58
(Continued)

Area and Country	1956			1957			1958		
	Import	Export	Total	Import	Export	Total	Import	Export	Total
Far East	324	191	515	338	114	452	229	107	336
Communist China (including Hong Kong)	314	146	460	325	111	436	228	107	335
Japan b/	0	0	0	1	2	3	1	Negl.	1
North Korea b/	10	45	55	12	1	13	Negl.	0	Negl.
Other	54	1	55	1	2	3	27	12	39

a. Data for 1959, including tonnage carried by Polish vessels, are presented in Table 6, p. 36, below. Because of rounding, components may not add to the totals shown.

b. Figures for 1956 are estimated on the basis of area totals and on trade data for individual countries.

c. Figures for 1956 are for petroleum only, and figures for 1957-58 are for bulk only. Therefore, these trade figures from and to the Black Sea may be minimal.

d. Petroleum imported from Bulgaria was reported to be credited to the Soviet account. In this table the Bulgarian shipments have been shown separately and have been subtracted from the Soviet account.

e. Not reported.

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Table 6

Direction of Polish Seaborne Foreign Trade
and Amounts Carried by Polish Vessels a/*
1959

Thousand Metric Tons						
Area and Country	Imports		Exports		Total	
	Total	Polish Vessels	Total	Polish Vessels	Total	Polish Vessels
Grand total	<u>5,061</u>	<u>1,625</u>	<u>9,065</u>	<u>1,752</u>	<u>14,125</u>	<u>3,377</u>
Scandinavian Baltic	<u>1,003</u>	<u>386</u>	<u>4,022</u>	<u>885</u>	<u>5,025</u>	<u>1,271</u>
Denmark	24	3	1,396	360	1,420	363
Finland	311	140	1,719	235	2,030	375
Sweden	668	243	907	290	1,575	533
USSR, Baltic Sea, and Barents Sea	<u>414</u>	<u>91</u>	<u>187</u>	Negl.	<u>601</u>	<u>91</u>
North and Norwegian Seas	<u>384</u>	<u>206</u>	<u>1,700</u>	<u>324</u>	<u>2,084</u>	<u>530</u>
Norway	138	23	135	13	273	36
UK and Ireland	52	43	537	149	589	192
Iceland	7	2	38	2	45	4
Belgium	82	52	103	62	185	114
Netherlands	26	15	175	37	201	52
West Germany	79	71	712	61	791	132
Atlantic Europe	<u>78</u>	<u>26</u>	<u>498</u>	<u>37</u>	<u>576</u>	<u>63</u>
France	14	11	386	10	400	21
Portugal	3	2	33	9	36	11
Spain	61	13	79	18	140	31
Mediterranean	<u>206</u>	<u>81</u>	<u>1,105</u>	<u>201</u>	<u>1,311</u>	<u>282</u>
Albania	51	37	34	31	85	68
Egypt	68	13	52	26	120	39
Greece	8	4	158	28	166	32
Israel	18	6	7	2	25	8
Italy	17	9	805	90	822	99
Jordan	31	4	5	Negl.	36	4
Lebanon	1	1	7	6	8	7
Malta	0	0	5	3	5	3

* Footnotes for Table 6 follow on p. 38.

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Table 6

Direction of Polish Seaborne Foreign Trade
and Amounts Carried by Polish Vessels a/
1959
(Continued)

Thousand Metric Tons						
Area and Country	Imports		Exports		Total	
	Total	Polish Vessels	Total	Polish Vessels	Total	Polish Vessels
Mediterranean (Continued)						
Syria	2	2	3	2	5	4
Turkey	10	5	13	12	23	17
Yugoslavia	0	0	16	1	16	1
Black Sea <u>b/</u>	<u>547</u>	<u>312</u>	<u>0</u>	<u>0</u>	<u>547</u>	<u>312</u>
Rumania	283	145	0	0	283	145
USSR	264	167	0	0	264	167
Africa (excluding Egypt)	<u>387</u>	<u>130</u>	<u>121</u>	<u>27</u>	<u>508</u>	<u>157</u>
North Africa	267	112	29	4	296	116
West Africa	103	11	44	22	147	33
Other	18	7	48	2	66	9
North America	<u>929</u>	<u>49</u>	<u>68</u>	<u>17</u>	<u>997</u>	<u>66</u>
Canada	254	7	7	3	261	10
US	675	42	61	14	736	56
South and Central America	<u>375</u>	<u>70</u>	<u>963</u>	<u>126</u>	<u>1,338</u>	<u>196</u>
Argentina	58	32	808	11	866	43
Brazil	315	36	129	111	444	147
Other	2	2	28	5	30	7
South Asia	<u>134</u>	<u>43</u>	<u>243</u>	<u>25</u>	<u>377</u>	<u>68</u>
Aden	0	0	13	2	13	2
Ceylon	1	Negl.	2	Negl.	3	Negl.
India	107	24	41	17	148	41
Kuwait	0	0	8	Negl.	8	Negl.
Pakistan	20	19	119	3	139	22
Persian Gulf	0	0	47	Negl.	47	Negl.
Other (Iraq, Arabia, and Iran)	6	Negl.	13	3	19	3

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Table 6

Direction of Polish Seaborne Foreign Trade
and Amounts Carried by Polish Vessels a/
1959
(Continued)

Area and Country	Thousand Metric Tons					
	Imports		Exports		Total	
	Total	Polish Vessels	Total	Polish Vessels	Total	Polish Vessels
Southeast Asia	<u>71</u>	<u>42</u>	<u>22</u>	<u>15</u>	<u>93</u>	<u>57</u>
Burma	0	0	1	1	1	1
Indonesia	Negl.	Negl.	6	3	6	3
Cambodia	3	0	0	0	3	0
Malaya	31	31	1	Negl.	32	31
Thailand	Negl.	0	4	1	4	1
North Vietnam	37	11	10	10	47	21
Far East	<u>501</u>	<u>189</u>	<u>99</u>	<u>90</u>	<u>600</u>	<u>279</u>
Communist China	489	187	84	81	573	268
Hong Kong	0	0	9	6	9	6
Japan	1	1	4	1	5	2
North Korea	11	1	2	2	13	3
Oceania	<u>23</u>	<u>0</u>	Negl.	<u>0</u>	<u>23</u>	<u>0</u>
Other <u>b/</u>	<u>9</u>	Negl.	<u>32</u>	<u>1</u>	<u>41</u>	<u>1</u>

a. 45/. Because of rounding, components may not add to the totals shown.

b. Trade with Bulgaria for 1959 was not shown separately as it was for 1957-58. In the source, under the main heading "Europe" (which included Mediterranean and Black Sea Europe), the category "Other" was included for the first time and showed 8,731 tons imported and 32,326 tons exported. No European country bordering on the seas was left out except Bulgaria, but if those "other" tonnages should be credited to Bulgaria, it would be the first record of exports to Bulgaria by sea. No other sources show any seaborne trade between Poland and Bulgaria in 1959.

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Table 7

Principal Commodities in Polish Total Foreign Trade and Seaborne Foreign Trade a/
1957-59

Commodity	Thousand Metric Tons											
	Imports						Exports					
	1957		1958		1959		1957		1958		1959	
	Total	Seaborne	Total	Seaborne	Total	Seaborne	Total	Seaborne	Total	Seaborne	Total	Seaborne
Coal and coke <u>b/</u>	442	106	1,385	316	2,418	6	19,094	4,504	23,322	6,731	23,642	6,840
Ores <u>c/</u>	6,625	1,974	6,319	1,716	6,943	1,819	0	0	0	0	0	0
Fertilizer <u>d/</u>	1,482	553	1,171	508	1,255	458	0	0	124	39	193	91
Gypsum	0	0	0	0	3	0	188	160	167	130	190	170
Grain <u>e/</u>	2,032	864	1,184	866	1,801	890	8	8	48	48	20	20
Petroleum <u>b/</u>	1,759	477	1,833	632	2,123	547	115	78	173	113	230	146
Lumber	115	105	161	159	267	86	367	152	288	168	423	208
Cement	205	0	192	0	431	195	154	151	266	196	255	158
Rolled steel	228	95	308	192	332	145	564	248	592	233	797	374
Sugar	0	0	0	0	41	0	69	68	244	209	266	251
Salt	24	0	42	0	0	0	95	48	103	48	118	54
General cargo	1,399	617	1,552	726	1,938	913	1,142	505	1,656	645	2,014	752
Total <u>f/</u>	<u>14,312</u>	<u>4,791</u>	<u>14,146</u>	<u>5,117</u>	<u>17,551</u>	<u>5,061</u>	<u>21,795</u>	<u>5,923</u>	<u>26,992</u>	<u>8,560</u>	<u>28,147</u>	<u>9,065</u>

a. 46/. Data for both total foreign trade and seaborne foreign trade are from the Central Administration of Transport and Forwarding of the Ministry of Foreign Trade. These are the official data for goods which actually moved into or out of the country during the calendar year and do not include reexports, for example, which went directly to the third country, or trade affected during the year which crossed the border early in the next year. Figures for commodity trade in the yearbooks consequently vary somewhat from the figures in this table. The Statistical Yearbook, however, uses the above data for totals in the transport section.

b. Figures for 1958-59 were reported as excluding bunkers. It is assumed that 1957 data also exclude bunkers.

c. Including chrome ore, iron ore, manganese ore, zinc concentrate, lead concentrate, pyrites, molybdenum ore, wolframite ore, rutile, burned pyrites, and bauxite.

d. Including apatites, kainite, potassium salts, phosphate, phosphorites, potassium chlorides, and nitrogenous fertilizers.

e. Including wheat, barley, corn, rice, and soybeans.

f. Because of rounding, components may not add to the totals shown.

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Table 8

Polish Imports of Principal Bulk Commodities
by Origin and Mode of Transport a/
1957-59

Thousand Metric Tons							
Commodity and Country of Origin	1957		Total Imports <u>c/</u>	1958		1959	
	Seaborne Imports <u>b/</u>			Seaborne Imports <u>b/</u>		Seaborne Imports <u>b/</u>	
	Total	On Polish Vessels	Total	Total	On Polish Vessels	Total	On Polish Vessels
Ores	1,974	876	6,319	1,716	495	1,819	549
Africa, West and North	246	35	31	31	0	95	6
Brazil	99	0	340	340	0	294	17
Communist China	200	145	112	112	69	203	74
Finland	191	176	180	180	117	147	110
India <u>d/</u>	268	54	43	60	24	68	16
Norway	143	12	120	120	13	125	20
Sweden	663	430	611	611	249	605	238
USSR <u>e/</u>	26	0	4,568	209	0	204	34
Other	138	24	313	53	23	78	34
Fertilizer	553	181	1,171 <u>f/</u>	508	114	458	155
Africa, North	269	53	257	264	52	248	109
Belgium	147	114	76	66	31	0	0
East Germany	0	0	678	0	0	0	0
USSR <u>g/</u>	106	9	208	152	19	168	42
Other	31	5	20 <u>f/</u>	26	12	42	4
Grain	864	49	1,184 <u>h/</u>	866	61	890	16
Canada	289	0	9	9	0	250	0
Communist China	58	4	33 <u>h/</u>	27	27	92	7
US	400	16	812 <u>h/</u>	823	28	532	1
USSR	43	0	326	0	0	0	0
Other	74	29	29 <u>h/</u>	7	6	16	8
Liquid fuels	477	134	1,833	632	203	547	312
Austria	0	0	270	0	0	0	0
Rumania	195	31	192	196	119	283	145
USSR	264	103	1,260	361	73	264	167
Other <u>i/</u>	19	0	111	75	11	0	0

a. In the interest of keeping this table small enough to be readable, total trade has been included only for 1958, the latest year for which data are available.

b. 47/

c.

The total figure for each commodity is furnished by the Central Administration of Transport and Forwarding of the Ministry of Foreign Trade. The breakdown by country, however, is furnished by another section of the Ministry of Foreign Trade and includes triangular transactions such as Austrian crude oil credited as an import from the USSR but shipped in directly from Austria. Wherever possible, the table has been corrected for actual country of origin, but some items cannot be broken out. This fact, as well as the differences between tons purchased during one year and shipment completed in the next year, will account for discrepancies such as those in the data on fertilizer imports, which are footnoted separately.

d. Undoubtedly the iron ore shown as shipped from India includes ore from Goa. No iron ore, however, turns up under Portugal in the 1957 trade accounts or under "Indian Portugal" in the 1958 trade accounts.

e. The seaborne imports of Soviet ore came from the Barents Sea area of the USSR in 1958-59 and probably also in 1957

f. Trade accounts add up to 1,239,400 tons instead of the 1,171,200 tons actually shipped. Trade records also do not show 11,000 tons actually brought in by sea from Lebanon, which may have been a purchase and reexport shown under the trade accounts as an import from the USSR.

g. Seaborne imports came from Baltic ports of the USSR.

h. Trade records showed a total of 1,209,000 tons, some of which was not shipped in 1958 or was shipped in 1958 from 1957 trade accounts. The total of 1,184,000 tons was furnished by the Central Administration of Transport and Forwarding of the Ministry of Foreign Trade and reflects that amount which actually arrived in the country in 1958.

i. Imports from Bulgaria in 1957 of about 7,000 tons are credited to the account of the USSR. "Other" seaborne imports are from Bulgaria and Albania.

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Table 9
Nationality of Vessels Entering and Clearing Polish Ports a/
1956 and 1958

Flag of Vessel	Vessels Entering								Vessels Clearing							
	1956				1958				1956				1958			
	With Cargo		In Ballast b/		With Cargo		In Ballast b/		With Cargo		In Ballast b/		With Cargo		In Ballast b/	
	Number of Vessels	Thousand Net Register Tons c/	Number of Vessels	Thousand Net Register Tons c/	Number of Vessels	Thousand Net Register Tons c/	Number of Vessels	Thousand Net Register Tons c/	Number of Vessels	Thousand Net Register Tons c/	Number of Vessels	Thousand Net Register Tons c/	Number of Vessels	Thousand Net Register Tons c/	Number of Vessels	Thousand Net Register Tons c/
Polish	950	907	310	375	1,147	1,346	408	603	995	882	235	392	1,283	1,289	334	675
British	97	224	90	167	106	280	132	210	139	277	36	149	193	260	43	157
Danish	107	166	1,049	194	107	128	1,576	348	1,101	224	50	125	1,634	356	50	116
Dutch	98	58	261	89	71	61	367	104	300	104	51	37	400	120	38	44
Finnish	208	290	485	401	279	238	380	360	559	491	116	162	489	432	170	165
French	22	51	182	286	7	26	164	270	182	290	16	37	162	264	6	25
German d/	440	342	1,756	721	262	377	2,750	839	1,992	850	210	172	2,798	883	198	316
Italian	16	53	7	21	34	142	7	112	7	18	17	94	122	29	107	
Liberian	17	85	5	8	30	139	23	92	5	8	16	91	31	124	22	107
Norwegian	159	385	166	124	133	270	151	135	200	189	124	311	190	173	89	235
Soviet	104	228	503	670	171	436	146	183	515	742	111	188	88	149	206	447
Swedish	232	257	523	304	221	373	489	314	674	399	83	164	547	376	159	310
US	17	78	2	23	93	420	3	14	21	96	1	5	37	169	60	271
Greek	13	38	7	18	N.A.	N.A.	N.A.	N.A.	93	145	45	126	N.A.	N.A.	N.A.	N.A.
Other	64	176	77	105	53	169	165	455					176	494	41	123
Total	2,534	3,292	5,426	3,206	2,694	4,353	6,783	4,032	6,728	4,715	1,183	2,051	8,000	5,210	1,445	3,108

a. 1957. Data for 1959 are available only for vessels entering.

b. The phrase "in ballast" here includes vessels, particularly liners, which may have had other cargo aboard but not cargo loaded or unloaded at Polish ports.

c. Net register tonnage is a measure of the size of the cargo space of a vessel in which 100 cubic feet equal 1 net register ton. Net register tonnage is not a measure of cargo-carrying capacity in weight, as is deadweight tonnage. The deadweight tonnage of a vessel is roughly

2.5 times the net register tonnage.

d. Including both East and West German vessels. The following breakdown for total entrances in 1958, which shows that only 5 percent of the capacity of the German vessels entering Polish ports was under the East German flag 50/: East Germany, 80 vessels

totaling 60,000 net register tons, and West Germany, 2,931 vessels totaling 1,192,000 net register tons.

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Table 10

Selected Indicators of the Polish Maritime Economy
1956-59 and Plans for 1965, 1970, and 1975

Indicator	Unit	Plans or Estimates						
		1956	1957	1958	1959	1965	1970	1975
Polish merchant fleet <u>a</u> /*								
Under the Polish flag <u>b</u> /	Thousand DWT <u>c</u> /	413	493	583	695	1,400 <u>d</u> /		
Polish-owned <u>e</u> /	Thousand DWT	331	408	483	610	1,250	1,700	2,500
Polish-controlled <u>f</u> /	Thousand DWT	266	326	394	529	1,150 <u>g</u> /		
Polish fleet performance <u>h</u> /								
Carried by								
Polish flag vessels <u>h</u> /	Million metric tons	3.1	3.5	4.1	5.0	10.0		
Polish-owned vessels <u>i</u> /	Million metric tons	2.8	3.3	3.9	4.6	9.2	12.0	18.0
Polish-controlled vessels <u>j</u> /	Million Metric tons	2.5	3.0	3.4	4.1	8.4		
Polish port traffic								
Total turnover <u>k</u> /	Million metric tons	15.5	14.2	16.9	18.0	23.5	25.5	27.0
Polish foreign trade cargo <u>l</u> /	Million metric tons	12.1	10.7	13.7	14.1	18.5	20.5	22.0
Transit cargo <u>m</u> /	Million metric tons	2.3	2.6	2.6	3.3	4.0	4.0	4.0
Polish trade carried by Polish flag ships <u>n</u> /	Million metric tons	2.3	2.6	2.7	3.4	7.0	8.5	11.0

* Footnotes for Table 10 follow on p. 44.

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Table 10

Selected Indicators of the Polish Maritime Economy
1956-59 and Plans for 1965, 1970, and 1975
(Continued)

a. Including all vessels under Polish Ocean Lines and Polish Steamship Company flags, including vessels under 1,000 gross register tons (GRT). (Gross register tonnage is a measure of the size of a vessel whereby its internal space is expressed in register tons -- 100 cubic feet per ton.) These figures do not include mother ships for the fishing fleets.

b. The figure for 1956 includes the Kaszuby (10,180 DWT -- see footnote c, below), which was transferred to the fishing fleet in 1957. [redacted] The difference between the figures for Polish-owned and Polish flag vessels is assumed to be tonnage owned by Communist China.

c. Deadweight tonnage (DWT) is a measure of the carrying capacity of a vessel expressed in metric tons -- that is, the difference between the displacement of the vessel light and its displacement loaded.

d. Estimated on the basis of the statement that it is planned to increase considerably the number of ships under Chipolbrok. 53/ By 1970, however, it is possible that the portion of the Chipolbrok ships presumably owned by China will be turned over to the Chinese flag. If so, the total under the Polish flag will be that tonnage shown as planned for the Polish-owned fleet. If not, there is no basis for estimating the total amount under the Polish flag other than that it might be at least 150,000 DWT more than the amounts shown as Polish owned.

f. The difference between the categories Polish-owned and Polish-controlled represents that ship tonnage owned by Poland but assigned to and controlled by Chipolbrok. [redacted]

g. See footnote d, above. If Chipolbrok continues into 1970 and 1975, there may be at least 100,000 DWT assigned to it of Polish-owned vessels. The figures for Polish-controlled tonnage would then be at least 100,000 DWT less than those shown under the Polish-owned fleet for 1970-75.

h. Figures for 1956-59 and for the total performance of all Polish flag vessels during 1956-59 are estimated on the basis of the sizes of the fleets, the experience of past years' performances, and scattered evidences of Chipolbrok performance.

k. 70/. Figures for 1965 and 1975 are estimates based on present traffic plus plans for increased imports of grains, ores, liquid fuels, and general cargo (see II, B, p. 9, above, [redacted]). The figure for 1970 is an interpolation. Figures for all years include bunker traffic and domestic coastal and intraport traffic as well as Polish foreign trade and transit trade.

l. Figures for 1956-59 are taken from Tables 5 and 6, pp. 32 and 36, respectively, above. Figures for 1965-75 are estimates (see footnote j, above).

m. 72/. Estimates for 1965 are based on increased Czechoslovak and other Bloc transit traffic but decreasing East German transit traffic after 1962 or 1963, when the East German ports are planned to absorb much of the East German trade. 73/

n. [redacted] Figures for 1970 and 1975 are estimates based on the size of the Polish-owned fleet. If there are more ships under the Polish flag, cargo carried in foreign trade may be higher in 1970 although limited in 1975 by the imbalance in areas of origin and destination (see II, A, p. 6, above).

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APPENDIX B

METHODOLOGY

In order to estimate the approximate number of ships needed continuously on a given route to carry a given amount of cargo during 1 year, the following data for each route must be known or estimated: the average size in deadweight tons and speed in knots of ships employed, the distance (length of haul), the predominant cargo, and the number of lay days to load and discharge. The distances and the type of cargo are known, the rest estimated. These variables are as follows:

Area	Ships		Distance (Nautical Miles)	Predominant Cargo	Approximate Lay Days
	Average DWT	Average Speed (Knots)			
Argentina	10,000	12	7,000	Coal	25
UK	2,000	8	1,000	General	5
Greece	4,500	12	3,600	Coal	10
Pakistan	9,000	12	6,800	Coal	20
Ireland	2,000	8	1,300	Coal	5
Finland	4,000	8	350	Lumber	10
Norway	6,000	10	1,100	Ores	15
Sweden	4,000	10	800	Ores	10
Rumania	12,000	12	4,000	POL	5
USSR					
Barents Sea	8,000	10	2,000	Apatite and ores	20
Black Sea	12,000	12	4,200	POL	5
North Africa	8,500	10	2,000	Phosphates and ores	20
West Africa	9,500	11	3,500	Phosphates	20
US	10,000	12	5,500	Grains	20
Brazil	10,000	12	6,000	Ores	25
Communist China	10,000	12	10,500	Bulk	30

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An example of the calculations using the above variables is as follows for Argentina. Dividing 7,000 miles by 12 knots gives 583 hours, which divided by 24 hours gives 24.3 days at sea, which multiplied by 2 for the return trip gives a total of 48.6 days at sea. Estimating an average of about 1,000 tons of coal loaded and discharged (two operations) per day, plus some lost time in port at each end, gives about 25 days in port for each voyage, a total of 73.6 days for the ship's round trip. Dividing 365 days by 73.6 gives almost 5 (4.96) round trips per year per vessel. To move 775,000 tons in 10,000-ton ships would take 78 voyages. Dividing 78 voyages by 5 round trips per ship gives 15.6, or 16 ships averaging 10,000 DWT. Therefore, to move 775,000 tons of coal to Argentina in 1959 would have required an average of about 16 ships totaling 160,000 DWT to be continuously employed on the route.

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